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DA 12-1631

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DOMESTIC SECTION 214 APPLICATION FILED FOR THE TRANSFER OF CONTROL OF MILLINGTON TELEPHONE COMPANY, INC. AND MTEL LONG DISTANCE, INC. TO E. RITTER COMMUNICATIONS HOLDINGS, INC.

STREAMLINED PLEADING CYCLE ESTABLISHED

WC Docket No. 12-284

Comments Due: October 26, 2012

Reply Comments Due: November 2, 2012

On October 2, 2012, Millington Telephone Company, Inc. (Millington), MTel Long Distance, Inc. (MTel) (together, the Licensees) and E. Ritter Communications Holdings, Inc. (Ritter) (all together, Applicants) filed an application pursuant to section 63.03 of the Commission's rules¹ to transfer control of Licensees to Ritter.

Millington, an incumbent independent local exchange carrier, provides voice telephone service and broadband Internet access in seven exchanges in western Tennessee. MTel, a Tennessee corporation, is a wholly owned, direct subsidiary of Millington that provides long distance telephone services in Millington's service area to customers of Millington. No person or entity owns or controls a majority interest in Millington.²

Ritter, an Arkansas corporation, is a wholly owned subsidiary of E. Ritter & Company (ERC), also an Arkansas corporation. Ritter is a holding company whose operating subsidiaries provide telecommunications services in Arkansas and cable television and IP-based telephone services service in Arkansas and Missouri. Ritter has two incumbent independent local exchange company (LEC) subsidiaries, E. Ritter Telephone Company (ERTC) and Tri-County Telephone Company (Tri-County), which provide circuit switched local and long distance telephone services and broadband internet access

¹ 47 C.F.R § 63.03; *see* 47 U.S.C. § 214. Applicants also filed applications for transfer of control associated with authorizations for international services and radio license KIW854. Any action on this domestic section 214 application is without prejudice to Commission action on other related, pending applications.

² The Applicants state at the time that this application is being filed, the Estate of William S. Howard, Sr. (the Estate), a U.S. citizen, holds a 40.80% ownership interest in Millington. Prior to the consummation of the proposed transaction, the Estate will distribute its ownership interest to (1) Mr. Howard's children, Charlotte Howard Barry, William Stuart Howard, Jr., Holly Howard Starnes and Laura Howard Rosas, who each currently hold 10.64% of Millington, and certain grandchildren or trusts created for their benefit, none of whom currently own or control more than 10%. Applicants state that no other person or entity currently owns or controls more than 10% of Millington and therefore the distribution of the Estate will be *pro forma* and will not result in a transfer of control of Licensees.

services to residential and business subscribers. Tri-County also provides cable television services in its service areas. Ritter provides cable television and IP-based telephone services outside of its incumbent local telephone services areas through E. Ritter Communications, Inc., a competitive LEC serving primarily business customers in Jonesboro, Arkansas. The following U.S. citizens and entity hold, and upon completion of the proposed transaction will continue to hold, a ten percent or greater direct interest in E. Ritter Communications Holdings, Inc.: E. Ritter & Company (ERC) (100 percent); Jane Ritter Clawson (13.99 percent directly in ERC and indirectly in Ritter)³ and Ann Ritter Johnston (19.60 percent directly in ERC and indirectly in Ritter). Applicants state that the service territories of Licensees and the Ritter operating companies are not physically adjacent and do not overlap.

Pursuant to a Stock Purchase Agreement, by and among Ritter and the owners of Millington, Ritter will acquire all of the outstanding stock in Millington for cash. As a result, Millington will become a wholly-owned direct subsidiary of Ritter. MTel will remain a direct subsidiary of Millington, and therefore, will become an indirect subsidiary of Ritter. Applicants assert that the proposed transaction is entitled to presumptive streamlined treatment under section 63.03(b)(2)(iii) of the Commission's rules and that a grant of the application will serve the public interest, convenience, and necessity.⁴

Domestic Section 214 Application Filed for the Transfer of Control of Millington Telephone Company, Inc. and MTel Long Distance, Inc. to E. Ritter Communications Holdings, Inc., WC Docket No. 12-284 (filed Oct. 2, 2012).

GENERAL INFORMATION

The transfer of control identified herein has been found, upon initial review, to be acceptable for filing as a streamlined application. The Commission reserves the right to return any transfer application if, upon further examination, it is determined to be defective and not in conformance with the Commission's rules and policies. Pursuant to section 63.03(a) of the Commission's rules, 47 CFR § 63.03(a), interested parties may file comments **on or before October 26, 2012,** and reply comments **on or before November 2, 2012.** Unless otherwise notified by the Commission, the Applicants may transfer control on the 31st day after the date of this notice. Comments should be filed using the Commission's Electronic Comment Filing System (ECFS). See Electronic Filing of Documents in Rulemaking Proceedings, 63 FR 24121 (1998).

• Electronic Filers: Comments may be filed electronically using the Internet by accessing the ECFS: http://fjallfoss.fcc.gov/ecfs2/.

In addition, e-mail one copy of each pleading to each of the following:

- 1) The Commission's duplicating contractor, Best Copy and Printing, Inc., fcc@bcpiweb.com; phone: (202) 488-5300; fax: (202) 488-5563;
- 2) Tracey Wilson, Competition Policy Division, Wireline Competition Bureau, tracey.wilson@fcc.gov;
- 3) Dennis Johnson, Competition Policy Division, Wireline Competition Bureau, dennis.johnson@fcc.gov;

connection with the proposed transaction.

³ Ms. Clawson is also a co-Trustee of the Charles and Jane Clawson Trust 0901, which directly holds a 5.7% interest in Ritter.

⁴ 47 C.F.R. § 63.03(b)(2)(iii).

⁵ Such authorization is conditioned upon receipt of any other necessary approvals from the Commission in

4) Jim Bird, Office of General Counsel, jim.bird@fcc.gov.

Filings and comments are available for public inspection and copying during regular business hours at the FCC Reference Information Center, Portals II, 445 12th Street, S.W., Room CY-A257, Washington, D.C. 20554. They may also be purchased from the Commission's duplicating contractor, Best Copy and Printing, Inc., Portals II, 445 12th Street, S.W., Room CY-B402, Washington, D.C. 20554; telephone: (202) 488-5300; fax: (202) 488-5563; e-mail: fcc@bcpiweb.com; url: www.bcpiweb.com.

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For further information, please contact Tracey Wilson at (202) 418-1394 or Dennis Johnson at (202) 418-0809.